(c) 33 new telephone exchanges are proposed to be set up during 1999-2000 out of which 10 have been commissioned.

**Losses to Basic and Cellular Licensees due to High Licence Fee**

672. SHRI NILOTPAL BASU:
SHRI DIPANKAR MUKHERJEE:

Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether it is a fact that the existing licensees for both basic and cellular services had represented before Government that they were incurring heavy losses due to high licence fees as per their contractual obligations; and

(b) if so, the details of the financial memorandum of each of these companies indicating their investment, operational cost, number of subscribers, average share prices, at which off-loaded, if any, and profit/loss year-wise?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR): (a) Sir, Basic Service licensees made representation against delay in implementation of their projects on account of the delays in permissions/approvals from concerned Government agencies. The Cellular operators and their association have represented that their projects were not financially viable due, *inter alia*, to high licence fee quoted by them.

(b) The information is being collected and will be laid on the Table of the house.

**Migration of Private Licensees from Licence Fee Regime**

673. SHRI NILOTPAL BASU:
SHRI DIPANKAR MUKHERJEE:

Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether it is a fact that the report by the Group on Telecom submitted on 26th March, 1999 ruled categorically against the migration of the existing private licensees from the licence fee regime to the revenue sharing arrangement under NTP '99 which was accepted by Government; and